EIGHTY-FOURTH GENERAL ASSEMBLY 2011 REGULAR SESSION DAILY

HOUSE CLIP SHEET

MARCH 11, 2011

HOUSE FILE 392

H-1264

Amend House File 392 as follows: 1. Page 1, before line 1 by inserting: <Section 1. Section 105.2, subsection 7, Code 2011, 4 is amended to read as follows: 5 7. "HVAC" means heating, ventilation, air 6 conditioning, and ducted systems, or any type of 7 refrigeration used for food processing or preservation. 8 "HVAC" includes all natural, propane, liquid propane, 9 or other gas lines associated with any component of an 10 HVAC system.> Page 1, line 27, after <length> by inserting <, 12 plus one security page> 13 3. Page 2, by striking lines 1 through 11 and 14 inserting: Section 105.9, subsection 5, Code 2011, 16 is amended by striking the subsection and inserting in 17 lieu thereof the following: 5. a. The board shall submit a report to the 18 19 general assembly within sixty days following the end of 20 each fiscal year. The reports shall include a balance 21 sheet projection extending no less than three years. 22 If the revenue projection exceeds expense projections 23 by more than ten percent, the board shall adjust their 24 fee schedules accordingly, so that projected revenues 25 are no more than ten percent higher than projected 26 expenses. The revised fees shall be implemented no 27 later than January 1, 2013, and January 1 of each 28 subsequent year. b. The fee for each license after the purchase of 29 30 the initial master license is thirty percent of the 31 cost of the initial master license.> 4. Page 2, line 14, by striking <The> and inserting 33 <For calendar years 2011 and 2012, the> 5. Page 2, line 16, by striking <The> and inserting 35 <For calendar years 2011 and 2012, the> 36 6. Page 2, after line 17 by inserting: 37 <NEW SUBSECTION. 8. For any license issued in 38 2011, prior to July 1, 2011, the licensee shall be 39 refunded the difference between the fee paid and the 40 fees specified in subsections 6 and 7. NEW SUBSECTION. 9. The board may charge a fee 42 for an application required by this chapter and 43 submitted on paper if an internet application process 44 is available.> 7. Page 2, by striking lines 18 through 21. 45 8. Page 2, line 22, by striking <subsections 3 and 46 47 7, Code 2011, are> and inserting <subsection 3, Code 48 2011, is> 9. By striking page 2, line 34, through page 3, 50 line 4. H-1264 -1-

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H-1264
Page 2
     10. Page 3, by striking lines 11 through 29.
     11. Page 3, before line 30 by inserting:
      <Sec. . Section 105.18, subsection 3, Code 2011,
4 is amended by adding the following new paragraph:
     NEW PARAGRAPH. d. An individual that holds either
6 a master or journeyperson HVAC license or a master
7 or journeyperson refrigeration license shall be
8 exempt from having to obtain a special electrician's
9 license pursuant to chapter 103 in order to perform
10 disconnect and reconnect of existing air conditioning
11 and refrigeration systems.
     Sec. . Section 105.20, subsection 1, Code 2011,
13 is amended by striking the subsection and inserting in
14 lieu thereof the following:
     1. All licenses issued under this chapter shall be
16 issued for a three-year period.>
      12. Page 4, by striking lines 5 through 11 and
18 inserting:
      <br/>b. A licensee shall have a thirty-day grace period
20 after expiration of the licensing term to complete the
21 continuing education requirements.>
      13. Page 4, by striking lines 12 through 23.
22
     14. Page 4, by striking lines 31 and 32 and
23
24 inserting:
     <br/>b. A county shall not impose any fee or charge on
26 any individual or business licensed by the board for
27 the right to perform plumbing, HVAC, refrigeration, or
28 hydronic systems work within the scope of the license.
29 This paragraph does not prohibit a county from charging
30 fees for the issuance of permits for, and inspections
31 of, work performed in its jurisdiction.>
      15. Page 5, by striking lines 5 and 6 and
33 inserting:
      <br/>b. A city shall not impose any fee or charge on
35 any individual or business licensed by the board for
36 the right to perform plumbing, HVAC, refrigeration, or
37 hydronic systems work within the scope of the license.
38 This paragraph does not prohibit a city from charging
39 fees for the issuance of permits for, and inspections
40 of, work performed in its jurisdiction.>
     16. Page 5, before line 7 by inserting:
41
     <Sec. . EFFECTIVE UPON ENACTMENT. This Act,
42
43 being deemed of immediate importance, takes effect upon
44 enactment.>
     17. Title page, by striking lines 3 and 4 and
46 inserting censing Act and including effective date
47 provisions.>
48
     18. By renumbering as necessary.
                              By PETTENGILL of Benton
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H-1264 FILED MARCH 10, 2011

H-1251

- Amend House File 483 as follows:
- 2 1. Page 1, line 11, by striking <underground.> and
- 3 inserting <underground, but does not include any public
- 4 construction contracts relating to streets, roads, or
- 5 highways.>
- 6 2. By renumbering as necessary.

By HORBACH of Tama

H-1251 FILED MARCH 10, 2011

HOUSE FILE 525

H-1253

- Amend the amendment, $\underline{\text{H-1115}}$, to $\underline{\text{House File 525}}$ as 2 follows:
- 3 1. Page 1, by striking lines 2 and 3.
- 4 2. By renumbering as necessary.

By T. TAYLOR of Linn

H-1253 FILED MARCH 10, 2011

HOUSE FILE 525

H-1254

- Amend the amendment, $\underline{\text{H-1118}}$, to $\underline{\text{House File 525}}$ as 2 follows:
- 3 1. Page 1, by striking lines 2 and 3.
- 4 2. By renumbering as necessary.

By MURPHY of Dubuque

H-1254 FILED MARCH 10, 2011

HOUSE FILE 525

H-1255

- Amend the amendment, $\underline{\text{H-1117}}$, to $\underline{\text{House File 525}}$ as 2 follows:
- 3 1. Page 1, by striking lines 2 and 3.
- 4 2. By renumbering as necessary.

By MURPHY of Dubuque

H-1255 FILED MARCH 10, 2011

HOUSE FILE 525

H-1256

- 1 Amend the amendment, $\underline{\text{H-1211}}$, to $\underline{\text{House File 525}}$ as 2 follows:
- 3 1. Page 1, by striking lines 2 and 3.
- 4 2. By renumbering as necessary.

By WILLEMS of Linn

<u>H-1256</u> FILED MARCH 10, 2011

H-1257

- 1 Amend the amendment, $\underline{\text{H-}1120}$, to $\underline{\text{House File 525}}$ as 2 follows:
- 3 1. Page 1, by striking lines 2 and 3.
- 4 2. By renumbering as necessary.

By T. TAYLOR of Linn

H-1257 FILED MARCH 10, 2011

HOUSE FILE 525

H-1258

- Amend the amendment, $\underline{\text{H-}1150}$, to $\underline{\text{House File 525}}$ as 2 follows:
- 3 1. Page 1, by striking lines 2 and 3.
- 4 2. By renumbering as necessary.

By T. TAYLOR of Linn

H-1258 FILED MARCH 10, 2011

HOUSE FILE 525

H-1259

- Amend the amendment, $\underline{\text{H-1151}}$, to $\underline{\text{House File 525}}$ as 2 follows:
- 3 1. Page 1, by striking lines 2 and 3.
- 4 2. By renumbering as necessary.

By HUNTER of Polk

H-1259 FILED MARCH 10, 2011

HOUSE FILE 525

H-1260

- 1 Amend the amendment, $\underline{\text{H-1116}}$, to $\underline{\text{House File 525}}$ as 2 follows:
- 3 1. Page 1, by striking lines 2 and 3.
- 4 2. By renumbering as necessary.

By KEARNS of Lee

H-1260 FILED MARCH 10, 2011

HOUSE FILE 525

H-1261

- 1 Amend the amendment, $\underline{\text{H-1119}}$, to $\underline{\text{House File 525}}$ as 2 follows:
- 3 1. Page 1, by striking lines 2 and 3.
- 4 2. By renumbering as necessary.

By KEARNS of Lee

H-1261 FILED MARCH 10, 2011

H-1262

- 1 Amend the amendment, $\underline{\text{H-}1220}$, to $\underline{\text{House File 525}}$ as 2 follows:
- 3 1. Page 1, line 20, by striking <shall>

By ISENHART of Dubuque

H-1262 FILED MARCH 10, 2011

HOUSE FILE 525

H-1265

- 1 Amend the amendment, $\underline{\text{H-1218}}$, to $\underline{\text{House File 525}}$ as 2 follows:
- 3 1. Page 1, by striking lines 2 through 12 and 4 inserting:
- 5 < . Page 2, line 15, after <other insurance> by
- 6 inserting <except for pediatric insurance>>

By WILLEMS of Linn

H-1265 FILED MARCH 10, 2011

HOUSE FILE 525

H-1266

- 1 Amend the amendment, $\underline{\text{H-1218}}$, to $\underline{\text{House File 525}}$ as 2 follows:
- 3 1. Page 1, by striking lines 2 through 12 and
- 4 inserting:
- 5 < . Page 2, line 15, after <other insurance>
- 6 by inserting <except for mandated coverage for dental
- 7 care, anesthesia, and hospital charges>>

By WILLEMS of Linn

H-1266 FILED MARCH 10, 2011

HOUSE FILE 525

H-1267

- 1 Amend the amendment, $\underline{H-1218}$, to $\underline{House\ File\ 525}$ as
- 3 1. Page 1, by striking lines 2 through 12 and
- 6 inserting <except for coverage for autism>>

By KEARNS of Lee

H-1267 FILED MARCH 10, 2011

H-1268

- 1 Amend the amendment, H-1159, to House File 525 as 2 follows: 1. Page 1, by striking lines 2 through 5 and 4 inserting: . By striking page 1, line 22, through page 6 2, line 15, and inserting <vacations, insurance, 7 holidays, leaves of absence, shift differentials, 8 overtime compensation, supplemental pay, seniority, 9 transfer procedures, job classifications, health and 10 safety matters, evaluation procedures, procedures for 11 staff reduction, in-service training, and other matters 12 mutually agreed upon. Negotiations shall also include 13 terms authorizing dues checkoff for members of the 14 employee organization and grievance procedures for 15 resolving any questions arising under the agreement, 16 which shall be embodied in a written agreement and 17 signed by the parties. If an agreement provides for 18 dues checkoff, a member's dues may be checked off only 19 upon the member's written request and the member may 20 terminate the dues checkoff at any time by giving 21 thirty days' written notice. Such obligation to 22 negotiate in good faith does not compel either party to 23 agree to a proposal or make a concession. A collective 24 bargaining agreement entered into pursuant to this 25 chapter shall include a requirement that a public 26 employee who is covered by the collective bargaining 27 agreement and is a member of a group health insurance 28 plan for public employees established under chapter 29 509A pay at least one hundred dollars per month of the 30 total premium for such health plan. 2. Nothing in this section shall diminish the 32 authority and power of the department of administrative 33 services, board of regents' merit system, Iowa public 34 broadcasting board's merit system, or any civil service 35 commission established by constitutional provision, 36 statute, charter, or special act to recruit employees, 37 prepare, conduct, and grade examinations; or rate 38 candidates in order of their relative scores for 39 certification for appointment or promotion or for other 40 matters of classification, reclassification, or appeal 41 rights in the classified service of the public employer 42 served. 43 3. All retirement systems The following subjects
- 44 shall be excluded from the scope of negotiations.
- a. All retirement systems.>> 45
- 46 2. By renumbering as necessary.

By JORGENSEN of Woodbury

H-1269

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1 Amend the amendment, H-1218, to House File 525 as
2 follows:
      1. Page 1, by striking lines 4 through 11 and
4 inserting:
     . By striking page 1, line 22, through page
6 2, line 15, and inserting <vacations, insurance,
7 holidays, leaves of absence, shift differentials,
8 overtime compensation, supplemental pay, seniority,
9 transfer procedures, job classifications, health and
10 safety matters, evaluation procedures, procedures for
11 staff reduction, in-service training, and other matters
12 mutually agreed upon. Negotiations shall also include
13 terms authorizing dues checkoff for members of the
14 employee organization and grievance procedures for
15 resolving any questions arising under the agreement,
16 which shall be embodied in a written agreement and
17 signed by the parties. If an agreement provides for
18 dues checkoff, a member's dues may be checked off only
19 upon the member's written request and the member may
20 terminate the dues checkoff at any time by giving
21 thirty days' written notice. Such obligation to
22 negotiate in good faith does not compel either party to
23 agree to a proposal or make a concession. A collective
24 bargaining agreement entered into pursuant to this
25 chapter shall include a requirement that a public
26 employee who is covered by the collective bargaining
27 agreement and is a member of a group health insurance
28 plan for public employees established under chapter
29 509A pay at least one hundred dollars per month of the
30 total premium for such health plan.
      2. Nothing in this section shall diminish the
32 authority and power of the department of administrative
33 services, board of regents' merit system, Iowa public
34 broadcasting board's merit system, or any civil service
35 commission established by constitutional provision,
36 statute, charter, or special act to recruit employees,
37 prepare, conduct, and grade examinations; or rate
38 candidates in order of their relative scores for
39 certification for appointment or promotion or for other
40 matters of classification, reclassification, or appeal
41 rights in the classified service of the public employer
42 served.
      3. All retirement systems The following subjects
43
44
   shall be excluded from the scope of negotiations.
45
     a. All retirement systems.>
46
      . By renumbering as necessary.>
                             By JORGENSEN of Woodbury
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H-1269 FILED MARCH 10, 2011

HOUSE FILE 525 H - 1270Amend the amendment, H-1218, to House File 525 as 2 follows: 1. Page 1, by striking lines 2 through 12 and 4 inserting: <___. Page 2, line 15, after <other insurance> by 6 inserting <except for life insurance>> By HUNTER of Polk H-1270 FILED MARCH 10, 2011 HOUSE FILE 525 H-1271 Amend the amendment, H-1218, to House File 525 as 2 follows: 1. Page 1, by striking lines 2 through 12 and 4 inserting: <___. Page 2, line 15, after <other insurance> by 6 inserting <except for coverage for prosthetic devices>> By KEARNS of Lee H-1271 FILED MARCH 10, 2011 HOUSE FILE 525 H-1272 Amend the amendment, H-1218, to House File 525 as 2 follows: 1. Page 1, by striking lines 2 through 12 and 4 inserting: Page 2, line 15, after <other insurance> by 6 inserting <except for coverage for clinical trials for 7 cancer patients>> By WILLEMS of Linn H-1272 FILED MARCH 10, 2011 HOUSE FILE 525

H-1273Amend the amendment, H-1218, to House File 525 as 2 follows: 1. Page 1, by striking lines 2 through 12 and 4 inserting: Page 2, line 15, after <insurance.> by 6 inserting <However, for each fiscal year, this 7 paragraph shall not apply to public employees 8 represented by a certified employee organization 9 who are teachers licensed under chapter 272 and who 10 are employed by a public employer which is a school 11 district or area education agency if the average salary 12 of teachers in the state was ranked below twenty-fifth 13 in the country in a nationally recognized study 14 comparing state average teacher salaries among all 15 fifty states released in the previous fiscal year.>> By KEARNS of Lee

H-1273 FILED MARCH 10, 2011

H-1274

- Amend the amendment, <u>H-1218</u>, to <u>House File 525</u> as
- 2 follows:
- 3 1. Page 1, by striking lines 2 through 12 and
- 4 inserting:
- 5 < . Page 2, line 15, after <other insurance>
- 6 by inserting <except for coverage for emergency room
- 7 services>>

By WILLEMS of Linn

H-1274 FILED MARCH 10, 2011

HOUSE FILE 525

H-1275

- 1 Amend the amendment, $\underline{\text{H-1218}}$, to $\underline{\text{House File 525}}$ as 2 follows:
- 3 1. Page 1, by striking lines 2 through 12 and 4 inserting:
- 5 < . Page 2, line 15, after <other insurance> by
- 6 inserting <except for discussion of treatment options
- 7 with a covered individual, notwithstanding any position
- 8 taken by the carrier, organized delivery system, or
- 9 plan on such treatment options>>

By KEARNS of Lee

H-1275 FILED MARCH 10, 2011

HOUSE FILE 525

H-1276

- 1 Amend the amendment, $\underline{\text{H-1218}}$, to $\underline{\text{House File 525}}$ as 2 follows:
- 3 1. Page 1, by striking lines 2 through 12 and
- 6 inserting <except for coverage of continuing care for
- 7 a terminal illness>>

By KEARNS of Lee

H-1276 FILED MARCH 10, 2011

HOUSE FILE 537

H-1781

- 1 Amend House File 537 as follows:
- Page 1, by striking lines 1 through 30.
- 3 2. By renumbering as necessary.

By ISENHART of Dubuque

H-1281 FILED MARCH 10, 2011

H-1279

- Amend House File 573 as follows:
- 2 1. By striking everything after the enacting clause 3 and inserting:
- 4 <Section 1. Section 704.1, Code 2011, is amended to 5 read as follows:
- 6 704.1 Reasonable force.
- 7 "Reasonable force" is that force and no more which
- 8 a reasonable person, in like circumstances, would
- 9 judge to be necessary to prevent an injury or loss
- 10 and can include deadly force if it is reasonable to
- 11 believe that such force is necessary to avoid injury
- 12 or risk to one's life or safety or the life or safety
- 13 of another, or it is reasonable to believe that such
- 14 force is necessary to resist a like force or threat.
- 15 Reasonable force, including deadly force, may be used
- 16 even if an alternative course of action is available if
- 17 the alternative entails a risk to life or safety, or
- 18 the life or safety of a third party, or requires one
- 19 to abandon or retreat from one's dwelling or place of
- 20 business or employment. Reasonable force, including
- 21 deadly force, may also be used and is presumed to be
- 22 justified even if an alternative course of action is
- 23 available if the alternative requires one to abandon
- 24 or retreat from one's dwelling or place of business or
- 25 employment.>
- $\frac{1}{2}$ 2. Title page, lines 1 and 2, by striking <and
- 27 providing a remedy>

By R. OLSON of Polk

H-1279 FILED MARCH 10, 2011

HOUSE FILE 584

H-1252

- 1 Amend House File 584 as follows:
 - 1. Page 1, by striking line 34 and inserting
- 3 <suspension or revocation of a driver's license under
- 4 the habitual violator or habitual offender>
- 5 2. By renumbering as necessary.

By HANSON of Jefferson

H-1252 FILED MARCH 10, 2011

H-1263

- 1 Amend House File 589 as follows:
- 2 1. Page 10, after line 28 by inserting:
- 3 <Sec. ___. Section 717B.3A, subsection 3, paragraph</pre>
- 4 a, subparagraphs (1) and (2), Code 2011, are amended
- 5 to read as follows:
- 6 (1) For the first or a subsequent conviction, the
- 7 person is guilty of an aggravated misdemeanor a class
- 8 "D" felony. The sentencing order shall provide that
- 9 the person submit to psychological evaluation and
- 10 treatment according to terms required by the court.
- 11 The costs of the evaluation and treatment shall be
- 12 paid by the person. In addition, the sentencing order
- 13 shall provide that the person complete a community
- 14 work requirement, which may include a work requirement
- 15 performed at an animal shelter or pound, as defined
- 16 in section 162.2, according to terms required by the 17 court.
- 18 (2) For a second or subsequent conviction,
- 19 the person is quilty of a class "D" felony. The
- 20 sentencing order shall provide that the person submit
- 21 to psychological evaluation and treatment according
- 22 to terms required by the court. The costs of the
- 23 psychological evaluation and treatment shall be paid
- 24 by the person.>
- 25 2. Title page, line 1, after <involving> by
- 26 inserting <the maintenance of animals and crops
- 27 including those maintained at>
- 3. By renumbering as necessary.

By M. SMITH of Marshall

H-1263 FILED MARCH 10, 2011

HOUSE FILE 589

H-1278

- 1 Amend House File 589 as follows:
- 2 1. Page 5, line 25, by striking <it to be false>
- 3 and inserting <the statement to be false, and makes
- 4 the statement with an intent to commit an act not
- 5 authorized by the owner of the animal facility>
- 6 2. Page 9, line 29, by striking <it to be false>
- 7 and inserting <the statement to be false, and makes
- 8 the statement with an intent to commit an act not
- 9 authorized by the owner of the crop operation>

By SWEENEY of Hardin

H-1278 FILED MARCH 10, 2011

H-1280

- 1 Amend House File 596 as follows:
- 2 1. By striking everything after the enacting clause 3 and inserting:
- <Section 1. NEW SECTION. 15E.25 Definitions.</p>
- 5 As used in this division:
 - 1. "Business company" means any of the following:
- 7 a. A limited liability company that is formed and 8 operates under chapter 489.
- 9 b. A business corporation that is formed and 10 operates under chapter 490.
- 11 2. "Local community" means a city having a 12 population of two thousand or less according to the 13 certified federal census and an area which is within 14 ten miles from the corporate limits of such city, so 15 long as the area is not located within another city.
- 3. "Local development corporation" means a nonprofit 17 corporation organized under chapter 504 or another 18 corporation which qualifies under 26 U.S.C. { 501(c)(3) 19 as an organization exempt from taxation, if all of the 20 following apply:
- 21 a. The exclusive purpose of the corporation is to 22 promote economic development initiatives in a local 23 community.
- 24 b. The principal office of the corporation is 25 located in the same local community as provided in 26 paragraph "a".
- 27 c. The corporation has a minimum of twenty-five 28 members with at least seventy-five percent of its 29 directors and officers residing or doing business in 30 the same local community as provided in paragraph "a".
- 31 Sec. 2. <u>NEW SECTION</u>. 15E.26 Qualified business 32 company.
- A business company is a qualified business company 34 for purposes of this division as long as it complies 35 with the following requirements:
- 1. The business company must be formed pursuant to a resolution adopted by the board of directors of the local development corporation. The board must appoint one or more individuals to serve as the following, as applicable:
- 41 a. An organizer of the limited liability company if 42 the business company is a limited liability company.
- b. An incorporator of the business corporation if the business company is a business corporation.
- 2. The ownership of the business company is 46 restricted as follows:
- 47 a. For a limited liability company, all of the 48 following apply:
- 49 (1) At least eighty percent of all outstanding 50 membership interests in the limited liability company H-1280 -1-

H-1280

37

45

Page 2

- 1 must be held by individuals who reside in the local 2 community.
- 3 (2) The limited liability company is not formed and 4 does not operate under chapter 489, article 12.
- 5 (3) (a) Seventy-five percent of all members must 6 reside in the local community if the limited liability 7 company is member-managed.
- 8 (b) Seventy-five percent of all managers must 9 reside in the local community if the limited liability 10 company is manager-managed.
- 11 b. For a business corporation, all of the following 12 apply:
- 13 (1) At least eighty percent of all outstanding 14 shares in the business corporation must be held by 15 individuals who reside in the local community.
- 16 (2) The business corporation only issues common 17 shares. The business corporation shall not issue 18 multiple classes of shares or multiple series of shares 19 within a class.
- 20 (3) Seventy-five percent of all directors and 21 seventy-five percent of all officers must reside in the 22 local community.
- 23 3. The business company does not receive more than 24 a total of two hundred fifty thousand dollars from any 25 of the following:
- 26 a. Contributions made by individuals when they 27 agree to become initial members of the limited 28 liability company.
- 29 b. Payments made by individuals for shares when the 30 business corporation initially issues shares.
- 31 4. The business company's principal place of 32 business is located in the local community.
- 33 5. The certificate of organization of a limited 34 liability company or the articles of incorporation of a 35 business corporation, as applicable, must include all 36 of the following restrictions:
 - a. For a limited liability company:
- 38 (1) A membership interest cannot be transferred to 39 another individual who does not reside in the local 40 community without the written consent of the members or 41 managers of the limited liability company.
- 42 (2) The limited liability company may purchase or 43 acquire a member's interest from an individual who no 44 longer resides in the local community.
 - b. For a business corporation:
- 46 (1) Shares cannot be transferred to another 47 individual who does not reside in the local community 48 without the written consent of the board of directors 49 of the business corporation.
- 50 (2) The business corporation may purchase or H-1280 -2-

H-1280

Page 3

- 1 acquire shares from an individual who no longer resides 2 in the local community.
- 3 Sec. 3. NEW SECTION. 15E.27 Exemptions for certain 4 security laws.
- 5 The securities of a qualified business company,
- 6 as provided in section 15E.26, are exempt from the
- 7 requirements of chapter 502, to the extent provided in 8 section 502.201.
- 9 Sec. 4. Section 502.201, Code 2011, is amended by 10 adding the following new subsection:
- .1 NEW SUBSECTION. 9F. Qualified business
- 12 company. Any security issued by a qualified business
- 13 company, as provided in section 15E.26, which meets the
- 14 requirements of chapter 15E, division IV.>
- 15 2. Title page, by striking lines 1 and 2 and
- 16 inserting <An Act exempting business entities located
- 17 in small cities or adjacent to small cities, and formed
- 18 by local development corporations, from certain>

By IVERSON of Wright

H-1280 FILED MARCH 10, 2011

HOUSE FILE 614

H-1277

- 1 Amend House File 614 as follows:
- 2 1. Page 1, by striking lines 4 through 10 and 3 inserting:
- 4 <1. a. An officer, employee, contractor, vendor,
- 5 volunteer, or agent of the department of corrections,
- 6 or an officer, employee, or agent of a judicial
- 7 district department of correctional services, who
- 8 engages in a sex act with an individual committed to
- 9 the custody of the department of corrections or a
- 10 judicial district department of correctional services
- 11 commits an aggravated misdemeanor a class "D" felony.
- 12 b. An officer, employee, or agent of a judicial
- 13 district department of correctional services,
- 14 who engages in a sex act with an individual under
- 15 supervision of a judicial district department of
- 16 correctional services, with the knowledge the person is
- 17 under such supervision, commits a class "D" felony.>

By ALONS of Sioux
SHAW of Pocahontas
R. OLSON of Polk
ABDUL-SAMAD of Polk

H-1277 FILED MARCH 10, 2011





Fiscal Services Division

SF 389 – National Guard Educational Assistance (LSB 2447SV.1)

Analyst: Dwayne Ferguson (Phone: 515-281-6561) (dwayne.ferguson@legis.state.ia.us)

Fiscal Note Version – As Passed by the Senate

Description

<u>Senate File 389</u> extends the nonreversion of funds language related to the National Guard Education Assistance Program until the end of Operation New Dawn and Operation Enduring Freedom. The nonreversion requirement was to end in FY 2012, but will be extended by this change.

Fiscal Impact

The ending balance amounts that will not revert and remain available for the National Guard Education Assistance Program can not be estimated. Since FY 1998, the ending balances have ranged from \$0 to \$585,000.

Source

College Student Aid Commission

/s/ Holly M. Lyons	
March 9, 2011	





Fiscal Services Division

House File 525 – Public Employment Relations Bill (LSB 2310HV)

Analyst: Ron Robinson (Phone: 515-281-6256) (ron.robinson@legis.state.ia.us)

Fiscal Note Version – New

Description

House File 525 relates to public employee collective bargaining agreements.

The Bill provides that a public employee has the right to declare oneself a "free agent" employee, meaning a public employee that has signed a release declaring that the employee rejects representation by an employee organization and that the employee understands that signing the release waives any claim or right to representation by that organization. The Bill specifies that for the purposes of collective bargaining, a bargaining unit only consists of employees in a particular class of employees that have not declared themselves "free agent" employees.

The Bill removes insurance and procedures for staff reduction from the list of topics that are mandatory subjects of collective bargaining negotiations.

The Bill excludes specified additional subjects from the scope of negotiations for public employee collective bargaining agreements, including:

- Health insurance or any other insurance
- Restrictions or limitations on outsourcing
- Any restriction on the right of a public employer to consider any factor the employer may lawfully consider in a layoff

The Bill specifies the arbitrator may consider additional information presented by either party.

The Bill strikes the requirement that an arbitrator consider past collective bargaining contracts between the parties including the bargaining that led up to such contracts.

The Bill strikes the requirement that an arbitrator consider the power of the public employer to levy taxes and appropriate funds for the conduct of its operations as factors when rendering a final decision.

The Bill adds benefits to the list of items the arbitrator is to consider by comparison to other types of employment.

In addition to other public employment, the Bill requires the arbitrator to compare the specified factors to public employees not represented by an employee organization, and private sector employment. The Bill requires an arbitrator making the comparison to strive to maintain parity in wages, benefits, hours, and conditions of employment between the public sector and the private sector for comparable types of work. The arbitrator is required to give consideration to similar and equitable economic conditions where applicable.

The Bill requires an arbitrator to consider the ability of the public employer to finance economic adjustments without raising any tax.

The Bill also requires an arbitrator to consider the efficiency of the public employer in its ability to carry out any of its functions.

The Bill provides that the final decision of an arbitrator for a public employee collective bargaining agreement is not limited to each party's final offer for each impasse item, however, that the final decision must not go beyond the terms of either party's final offer for each impasse item.

The Bill applies to collective bargaining agreements entered into on or after the effective date of the Bill.

Assumptions

- The decision to be a "free agent" could be changed at any time.
- The arbitrator will consider benefits when making a ruling.
- Reliable and unbiased data pertaining to wages and benefits is not currently available to
 make comparisons between public employment with public employees not represented by
 an employee organization, and private sector employment.

Fiscal Impact

The fiscal impact of House File 525 cannot be determined for the following reasons:

- The number of employees that would elect to be a "free agent" and the number of times a year the employee would make a different decision is unknown.
- It is not known what amount if any the employer would require the employee to contribute towards insurance, if any, and it is unknown if the employer would offer insurance. It is also unknown how the arbitrator would rule when the arbitrator makes comparisons. The arbitrator will be required to make comparisons on specified factors, including benefits. A change in benefits would be a factor the arbitrator uses when making a ruling.
- While it is possible that the changes to the employer's ability to use outsourcing and layoffs
 will provide a cost savings for the employer, the exact impact is not known since it is not
 known how the employer will utilize this change.
- Without reliable and unbiased data pertaining to wages and benefits it is not possible to
 estimate the impact of comparing public employment to public employees not represented
 by an employee organization, and private sector employment.
- The arbitrator is no longer required to do the following, however, the arbitrator is still permitted to do the following:
 - Consider the past contracts and the power of the public employer to levy taxes and appropriate funds when presented the information by the parties or as another relevant factor.
 - Fashion a compromise rather than having to select one party's final offer. It is not known
 how the parties will adjust their final offers compared to what they do under current law.
 Therefore, it is possible for this change to lead to lower or higher awards by the
 arbitrator. Since it is not known how the parties will change their negotiations, it is not
 possible to know if this change will increase or decrease the number of arbitrations and
 the impact this change will have on administrative costs.

Sources

Iowa Public Employment Relations Board Board of Regents Department of Administrative Services

Iowa Insurance Division
United States Department of Labor
Iowa Department of Transportation

/s/ Holly M. Lyons	
March 9, 2011	

The fiscal note for this bill was prepared pursuant to <u>Joint Rule 17</u> and the correctional and minority impact statements were prepared pursuant to <u>Section 2.56</u>, <u>Code of Iowa</u>. Data used in developing this fiscal note, including correctional and minority impact information, is available from the Fiscal Services Division of the Legislative Services Agency upon request.





Fiscal Services Division

<u>HF 524</u> – Appraiser's Fund and Assessment Expense Fund (LSB 2245HV) Analyst: Jeff Robinson (Phone: 515-281-4614) (<u>jeff.robinson@legis.state.ia.us</u>) Fiscal Note Version – New

Description

House File 524 combines two separate Assessor's Office property tax rates allowed under current Code into a single rate. The two rates are the Assessment Expense rate and the Special Appraiser rate. The maximum allowed rate would become the sum of the two existing separate rates, \$0.675 per thousand. The Code currently allows the transfer of expenses between the two accounts, with limitations. The Bill also combines the separate funds financed by the two rates and directs that balances in the Special Appraiser's Fund be transferred to the Assessment Expense Fund. The change is effective July 1, 2011.

Background

lowa currently has 107 assessor offices (99 county and 8 city assessors). For FY 2011:

- Ten are at the maximum for both rates
- Forty are at the maximum for one rate and not the other
- Fifty-seven are below the maximum for both rates

In addition to the Assessment Expense and Special Appraiser rates, assessor offices are also allowed property tax rates for employee benefit and tort liability expenses. The maximum assessor office rate for FY 2011 was \$0.749 per thousand and the minimum was \$0.206 per thousand.

Property taxes paid to support assessor offices statewide equaled \$48.7 million for FY 2011. In addition, \$3.2 million from the assessor levies was diverted to economic development through Tax Increment Financing (TIF).

Fiscal Impact

House File 524 would eliminate the need for county and city assessors to allocate office expenses between two separate funds. This should result in some administrative efficiency. The forty assessor offices that currently are at the maximum for one rate and not the other would see greater rate-setting freedom under a system where the two activities are combined as one rate limit.

Source

Department of Management Property Tax Files

 /s/ Holly M. Lyons	
March 9, 2011	





Fiscal Services Division

HF 498 – Span of Control (LSB 2163HV)

Analyst: David Reynolds (Phone: 515-281-6934) (dave.reynolds@legis.state.ia.us)

Fiscal Note Version – New

Description

House File 498 repeals the requirement that the Department of Administrative Services (DAS) implement a policy to establish a span of control ratio for Executive Branch departments of 1:14 (supervisors to employees) in FY 2011 and 1:15 in FY 2012. The Bill also repeals a provision that requires the DAS to evaluate the State's job classifications to ensure the existence of technical skill–based career paths for employees and provide incentives for employees to broaden their knowledge and skill base.

Background

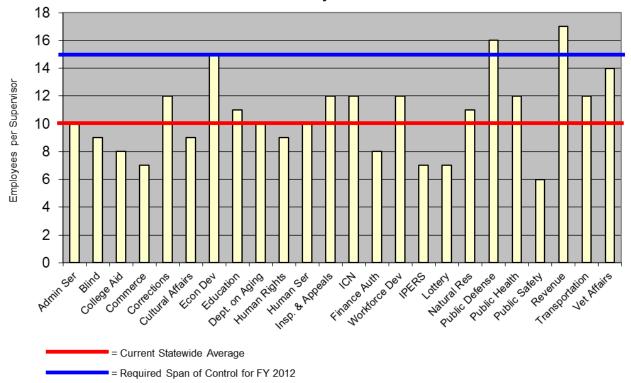
The provisions being repealed were enacted during the 2009 and 2010 legislative sessions. Senate File 478 (FY 2010 Standing Appropriations Act) enacted in 2009, required a span of control ratio of 1:14 to be fully implemented by July 1, 2011. This provision exempted the Board of Regents, the Department of Human Services (DHS), and community-based corrections departments from the new requirements. In addition, agencies with appropriation units of 28 or fewer FTE positions could apply for an exception to the policy through the Executive Council. The span of control requirements did not apply to agencies under the direction of elected officials, the Judicial Branch, or the Legislative Branch.

During the 2010 Legislative Session, <u>SF 2088</u> (Government Reorganization Act) amended the span of control requirements in the following ways:

- Maintained the 1:14 span of control ratio for FY 2011, but removed the exemption for DHS and community-based corrections departments.
- Increased the span of control requirement to 1:15 beginning in FY 2012.
- Prohibited an agency, with the exception of the Department of Public Safety, from granting a supervisory employee the right to bump or replace a junior employee.
- Provided an exception if a federal requirement mandates a span of control ratio that differs from the State requirement.
- Beginning in FY 2012, a five-person "Span of Control Review Board" is established that allows agencies to request a waiver from the span of control requirements if certain conditions are met.
- Requires the Board of Regents to develop and maintain a span of control ratio of 1:15 at
 each institution, but exempts employees involved in direct patient care, faculty, and
 employees in areas of the institutions that must maintain different span of control ratios due
 to federal or State regulations.

The span of control provisions, enacted in 2009 and 2010, have not yet been implemented by the Executive Branch. The current span of control ratio across all State agencies (excluding exempt agencies and those eligible for waivers in FY 2011) is 1:10. The following chart shows the span of control for individual departments.

Span of Control As of the 13th Pay Period of FY 2011



NOTE: The data does not include agencies that are exempt from the span of control requirements. These include: Board of Regents, Elected Officials, Legislative Branch, and Judicial Branch. The data also does not include agencies with 28 or fewer employees.

Fiscal Impact

<u>House File 498</u> will not have a fiscal impact on the State as the span of control requirements enacted in 2009 and 2010 have not been implemented and <u>HF 498</u> repeals the provisions effective on enactment.

Sources

Legislative Services Agency, Fiscal Services Division
Department of Management
Department of Public Safety
Department of Human Services
Department of Corrections
Department of Natural Resources

/s/ Holly M. Lyons		
	March 10, 2011	





Fiscal Services Division

<u>HF 531</u> – Telehealth, Federal Medicaid Coverage (LSB 2098HV)

Analyst: Jess Benson (Phone: 515-281-4611) (jess.benson@legis.state.ia.us)

Fiscal Note Version – New

Description

<u>House File 531</u> directs the Department of Human Services to submit a State Plan Amendment to the Centers for Medicare and Medicaid Services (CMS) to add telemedicine as a direct covered service under the Medicaid Program. The bill defines "telemedicine" as the delivery and provision of healthcare to patients and the transmission of information related to that care, over distance, using telecommunications.

Assumptions

- Adding telemedicine as a covered service would expand access to Medicaid recipients for a number of specialty services.
- It is assumed that there are a number of providers currently providing telemedicine services for which they are not being currently reimbursed.
- Because telemedicine is a new service, the payment structure is unknown and of the 35 states that do cover telemedicine services reimbursement policies vary widely.
- Telemedicine has the potential to create savings in Medicaid transportation expenditures.
- There have been several federal grants to expand broadband access to rural providers.
- The Federal Medical Assistance Percentage (FMAP) match rate is 38.18% for FY 2012 and 40.00% for FY 2013.

Fiscal Impact

The fiscal impact of adding telemedicine cannot be estimated due to unknown reimbursement policy and volume, but Medicaid would be providing additional payment for the telemedicine components involved in rendering services that are currently provided (e.g., specialist consultations). The addition is anticipated to increase expenditures for the Medicaid program even after any savings are realized due to decreased transportation costs.

Volume is also anticipated to increase as video conference technology becomes less expensive and rural communities have greater access to broadband internet.

<u>Sources</u>

Department of Human Services LSA Analysis

 /s/ Holly M. Lyons	
March 9, 2011	





Fiscal Services Division

<u>HF 513</u> – Snowmobile Trail Maintenance and Enhancement (LSB 1966HV) Analyst: Debra Kozel (Phone: 515-281-6767) (<u>deb.kozel@legis.state.ia.us</u>) Fiscal Note Version – New

Description

<u>House File 513</u> increases the annual resident snowmobile registration fee from \$15 to \$30 and the nonresident snowmobile user permit fee from \$15 to \$25.

Background

The legislation was requested by the Iowa State Snowmobile Association to obtain additional funds for trail maintenance and improvements. Money collected from snowmobile registration fees and user permits are deposited in the Snowmobile Registration Fees Fund administered by the Department of Natural Resources (DNR).

Assumptions

It is estimated there are 28,000 residents that register snowmobiles each year and 1,000 nonresidents that purchase user permits. The fee increase is estimated to generate \$430,000 in additional revenue to the Snowmobile Registration Fees Fund.

The DNR provided the following expenditure estimate for the additional \$430,000:

- \$150,000 for salaries
- \$25,000 for support
- \$20,000 for other expenditures
- \$235,000 for snowmobile club projects

Fiscal Impact

The estimated fiscal impact is an increase of \$430,000 to the Snowmobile Registration Fees Fund for FY 2012 and each year thereafter.

Source

Department of Natural Resources

/s/ Holly M. Lyons
March 9, 2011





Fiscal Services Division

HF 452 – Biodiesel Retailer Tax Credit (LSB 1861HV.1)

Analyst: Jeff Robinson (Phone: 515-281-4614) (jeff.robinson@legis.state.ia.us)

Fiscal Note Version – Revised

Description

<u>House File 452</u> relates to biodiesel production and retail tax incentives. The Bill extends and amends lowa's current three cents per gallon Biodiesel Blended Fuel Tax Credit retail incentive. In addition, the Bill:

- Eliminates the requirement that diesel gallon sales meet a threshold of at least 50.0% biodiesel to qualify for the credit and eliminates the requirement that the tax credit be calculated separately for each retail site owned by the same company.
- Raises the minimum percent biodiesel required for a gallon to qualify for a tax credit from the current 2.0% (B-2) to 10.0% (B-10).
- Extends the sunset date for the tax credit by three years, to January 1, 2015.
- Increases the credit to ten cents per gallon of biodiesel blended fuel.

The Bill is effective January 1, 2012.

Assumptions

- 1. The Department of Revenue 2009 Retailers Motor Fuel Gallons Annual Report states that a total of 205.2 million gallons of B-2 or higher biodiesel gallons were sold at retail in CY 2009, according to reports filed with the Department by retailers.
- 2. For CY 2012 through CY 2014, biodiesel blended gallons sold at retail are assumed to be:
 - a. CY 2012 = 220.0 million
 - b. CY 2013 = 236.0 million
 - c. CY 2014 = 252.0 million
- 3. For each calendar year, 11.3% of the total biodiesel gallons sold is assumed to be B-10 or higher. This 11.3% figure is composed of 18.0% B-10 for the months of April through October and 2.0% for the remaining five months.
- 4. Tax credits earned in CY 2012 are assumed to impact FY 2012 (20.0%) and FY 2013 (80.0%). The CY 2013 and CY 2014 sales will have the same pattern.
- 5. The volumes of pure biodiesel involved in this incentive are insufficient to significantly impact the calculation of the Ethanol Promotion Tax Credit.
- 6. The \$1.00 per gallon federal blender's credit, set to expire December 31, 2011, will be extended to at least December 31, 2014.

Fiscal Impact

Redemption by taxpayers of the revised and extended refundable Biodiesel Blended Fuel Tax Credit is projected to decrease net General Fund revenue by \$8.0 million over four fiscal years. See the following chart for more detail.

Biodiesel Blended Fuel Tax Credit Extension and Revision				
Tax Credit				
		Biodiesel	General Fund	
Calendar	Biodiesel	Gallons B-10	Revenue	Fiscal
Year	Blended Gallons	or Higher	Reduction	Year
CY 2012	220,000,000	24,933,333	\$ 498,667	FY 2012
CY 2013	236,000,000	26,746,667	2,529,600	FY 2013
CY 2014	252,000,000	28,560,000	2,710,933	FY 2014
	N/A	N/A	2,284,800	FY 2015
	708,000,000	80,240,000	\$ 8,024,000	

Over the course of three calendar years, this fiscal estimate translates to 8.0 million gallons of pure biodiesel sold as part of B-10 or higher blends. The \$8.0 million in tax credits equates to \$1.00 per gallon of pure biodiesel consumed as a component of those B-10 or higher blends.

The Biodiesel Blended Fuel Tax Credit is refundable, so it does not impact the Local Option Income Surtax for Schools.

Sources

Department of Revenue 2009 Retailers Motor Fuel Gallons Annual Report Department of Revenue Tax Credit Contingent Liabilities Report Legislative Services Agency Analysis

/s/ Holly M. Lyons
March 9, 2011





Fiscal Services Division

HF 545 – Biodiesel Retail and Production Tax Credits (LSB 1834HV)

Analyst: Jeff Robinson (Phone: 515-281-4614) (jeff.robinson@legis.state.ia.us)

Fiscal Note Version – New

Description

<u>House File 545</u> amends and extends the Biodiesel Blended Fuel Tax Credit and creates a biodiesel production incentive financed through a new General Fund appropriation. The Bill:

- Eliminates the requirement that diesel gallon sales must meet a threshold of at least 50.0% biodiesel to qualify for the credit and eliminates the requirement that the tax credit be calculated separately for each retail site owned by the same company.
- Changes the per-gallon tax credit from the current rate of three cents per gallon for B-2 and above to:
 - Two cents per gallon for B-5 through B-9
 - Four cents per gallon for B-10 and above
- Extends the sunset date for the tax credit by three years, to January 1, 2015.
- Creates a per gallon production incentive for each gallon of pure biodiesel produced in the State. The incentive is paid through a General Fund appropriation and equals:
 - Three cents per gallon produced in CY 2012 and CY 2013
 - Two cents per gallon for CY 2014

The changes are effective January 1, 2012.

<u>Assumptions – Tax Credits</u>

- The Department of Revenue 2009 Retailers Motor Fuel Gallons Annual Report states that a total of 205.2 million gallons of B-2 or higher biodiesel gallons were sold at retail in CY 2009, according to reports filed with the Department by retailers.
- For CY 2012 through CY 2014, biodiesel blended gallons sold at retail are assumed to be:
 - CY 2012 = 220.0 million
 - CY 2013 = 236.0 million
 - CY 2014 = 252.0 million
- For each calendar year, the percent of gallons sold, by biodiesel content, is assumed to be:
 - B-4 or lower = 25.0%
 - B-5 through B-9 = 70.0%
 - B-10 and up = 5.0%
- Tax credits earned in CY 2012 are assumed to impact FY 2012 (20.0%) and FY 2013 (80.0%). CY 2013 and CY 2014 sales will have the same pattern.
- The volumes of pure biodiesel involved in this incentive are insufficient to significantly impact the calculation of the Ethanol Promotion Tax Credit.
- The \$1.00 per gallon federal blender's credit, set to expire December 31, 2011, will be extended to at least December 31, 2014.

Fiscal Impact - Tax Credits

Redemption by taxpayers of the revised and extended refundable Biodiesel Blended Fuel Tax Credit is projected to decrease net General Fund revenue by \$11.3 million over four fiscal years. See the following chart for more detail.

Biodiesel Blended Fuel Tax Credit Extension and Revision					
	Tax Credit				
	Biodiesel	Biodiesel	Biodiesel	General Fund	
Calendar	Blended	Gallons B-5	Gallons B-10	Revenue	Fiscal
Year	Gallons	to B-9	or Higher	Reduction	Year
CY 2012	220,000,000	154,000,000	11,000,000	704,000	FY 2012
CY 2013	236,000,000	165,200,000	11,800,000	3,571,200	FY 2013
CY 2014	252,000,000	176,400,000	12,600,000	3,827,200	FY 2014
	N/A	N/A	N/A	3,225,600	FY 2015
	708,000,000	495,600,000	35,400,000	\$ 11,328,000	

Over the course of three calendar years, this fiscal estimate translates to 28.3 million gallons of pure biodiesel sold as part of B-5 or higher blends. The \$11.3 million in tax credits equates to \$0.40 per gallon of pure biodiesel consumed as a component of those B-5 or higher blends.

The Biodiesel Blended Fuel Tax Credit is refundable, so it does not impact the Local Option Income Surtax for schools.

Assumptions – Production Incentive Appropriations

- The current biodiesel production capacity in Iowa is approximately 315 million gallons per year. For CY 2012 through CY 2013, capacity utilization is assumed to be:
 - CY 2012 = 40.0%, 126.0 million gallons
 - CY 2013 = 50.0%, 157.5 million gallons
 - CY 2014 = 60.0%, 189.0 million gallons
- Claims are required to be filed quarterly, within one month of the conclusion of a calendar quarter. It is assumed the incentive will be paid before the end of the succeeding month.
 One quarter of calendar year 2012 will be paid from the FY 2012 standing appropriation and three quarters from the FY 2013 appropriation.
- The \$1.00 per gallon federal blender's credit, set to expire December 31, 2011, will be extended to at least December 31, 2014.

<u>Fiscal Impact – Production Incentive Appropriations</u>

The Bill establishes a standing unlimited appropriation to pay the production incentives. The cost of the incentives to the General Fund is assumed to equal:

- FY 2012 = \$ 945,000
- FY 2013 = \$4,016,000
- FY 2014 = \$4,489,000
- FY 2015 = \$2,835,000

The projected amount of the standing unlimited appropriation depends almost exclusively on the capacity utilization of the existing biodiesel plants in lowa. While those plants as a group are currently assumed to be operating below 50.0% of capacity, this situation could change

significantly by CY 2013 and CY 2014. The theoretical maximum (100.0% capacity utilization) General Fund liability is approximately \$9.5 million in CY 2013 and \$6.3 million in CY 2014.

Sources

Department of Revenue 2009 Retailers Motor Fuel Gallons Annual Report Iowa Renewable Fuels Association (Urbanchuk, 2011) Legislative Services Agency Analysis

/s/ Holly M. Lyons	
March 10, 2011	





Fiscal Services Division

HF 587 – School Transportation (LSB 1347HV)

Analyst: Shawn Snyder (Phone: 515-281-7799) (shawn.snyder@legis.state.ia.us)

Fiscal Note Version – New

Requested by Representative Jeremy Taylor

Description

House File 587 makes changes to vehicular transportation of students.

Background

The fiscal note addresses sections of the Bill that extend school bus inspections to schoolowned 9-passenger or less vehicles that transport students.

Assumptions

- At a maximum, 1,800 school vehicles will be inspected twice each year.
- The cost of each inspection is \$28 per vehicle.
- Some school districts may currently have these vehicles inspected; however, the amount is unknown.
- School districts will pay for the additional inspections through current resources. The
 average amount of additional inspection fees per school district is \$287 (based on 351
 school districts in FY 2012).

Fiscal Impact

There is no fiscal impact to the State General Fund.

The maximum statewide cost to local school districts is estimated at \$101,000 annually, beginning in FY 2012.

Source

Iowa Department of Education

 /s/ Holly M. Lyons	
March 9, 2011	